

## County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hann Hall of Administration 500 West Temple Street, Room 713, Los Angeles, California 90012 (213) 974-1101 http://ceo.lacounty.gov

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December 1, 2010

To:

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From:

William T Fujioka

Chief Executive Officer

Who lake

WASHINGTON, D.C. UPDATE

## Federal Fiscal Year (FFY) 2011 Continuing Resolution

On December 1, 2010, the House passed H.J. Res. 101, a Continuing Resolution (CR), which temporarily funds Federal programs and operations through December 18, 2010. The current CR will expire on December 3, 2010. This two-week extension would give Congressional leaders additional time to resolve how to fund the Federal government in FFY 2011, either through an omnibus appropriations or a longer-term CR through early next year, leaving final FFY 2011 appropriations up to the next 112<sup>th</sup> Congress. None of the 12 FFY 2011 appropriations bills have been enacted to date.

## **Temporary Assistance for Needy Families Extension**

On November 30, 2010, the House passed H.R. 4783, the Claims Restoration Act of 2010, clearing the bill for the President's signature. The Senate previously amended and passed the bill on November 19, 2010, with language which extends the Temporary Assistance for Needy Families (TANF) Block Grant at its current funding level through the end of Federal Fiscal Year (FFY) 2011. TANF originally was due to expire on September 30, 2010, but was temporarily extended to December 3, 2010 under the CR enacted in late September. Neither the CR nor H.R. 4783 extends the TANF Emergency Contingency Fund, which expired on September 30, 2010.

"To Enrich Lives Through Effective And Caring Service"

Each Supervisor December 1, 2010 Page 2

Besides extending the TANF Block Grant, H.R. 4783 extended and provided funding for TANF Supplemental Grants through June 30, 2011 for states with high population growth and/or low welfare spending per poor person, and appropriated \$75 million each for Healthy Marriage Promotion and Responsible Fatherhood Grants, which are funded through competitive grants. The bill also limits the availability of payments to states from the regular TANF Contingency Fund during FFY 2010 to funds obligated to states prior to the date of the bill's enactment. Most states, including California, are not eligible for funding from TANF Supplemental Grants or the regular Contingency Fund.

H.R. 4783 also imposes new administratively burdensome requirements on states to submit reports on the types of work-related activities in which work-eligible individuals were engaged and on more detailed, disaggregated information on how TANF and state maintenance-of-effort funds were spent under the categories of "other expenditures" and authorized under prior law during two reporting periods; March 2011 and April – June 2011. The Department of Health and Human Services (HHS), in turn, must submit reports to Congress by June 30, 2011, based on the data submitted by states for March 2011, and by September 30, 2011, based on data for April – June 2011, which includes state-by-state summaries and recommendations for any administrative or legislative changes needed to require states to report such information on a recurring basis. The bill authorizes HHS to impose a penalty equal to up to 4 percent of a state's TANF Block Grant allotment if a state fails to submit the data report for March 2011 by May 31, 2011, or for April – June 2011 by August 31, 2011.

The detailed data is being collected for use by Congress and HHS in considering legislation to reauthorize TANF, which will expire on September 30, 2011 under the bill. President Obama has said that he will sign the bill into law, which also provides funding for two separate Federal legal settlements resolving claims filed by African American farmers and Native Americans.

## Tax Extender Legislation

In the Senate, Republicans have sufficient votes to block any legislation through a filibuster. One major piece of legislation which they want to pass is legislation to extend tax cuts enacted in 2001 and 2003. Such tax extender legislation also could be the vehicle for extending other expiring tax provisions, such as the County-supported Build America Bonds, as well as expiring spending provisions, such as extended Unemployment Insurance benefits. 

We will continue to keep you advised.

WTF:RA MT:sb

C: All Department Heads Legislative Strategist